



# CSD *News Release*

**April 15, 2002**

## **DENNY'S RESTAURANTS AGREES TO CHANGE ADS, PAY \$10,000 TO SETTLE CSD MISLEADING ADVERTISING CHARGE**

The South Carolina-based restaurant chain, Denny's, has paid \$10,000 to resolve a charge by the Miami-Dade County Consumer Services Department (CSD) that its more than 20 restaurants in Miami-Dade engaged in misleading advertising in promoting a 'Kids Eat Free' campaign.

Denny's has also changed the wording of the ads to comply with Miami-Dade laws against misleading advertising.

An investigation conducted by CSD enforcement officers revealed that there were conditions and limitations attached to Denny's 'Kids Eat Free' program. For example, the ads displayed at the restaurants did not make clear that for a child to eat free, he or she would have to be no older than ten years of age, be accompanied by an adult, the adult would have to purchase an entrée, and that the offer was available only on Tuesdays between four and ten p.m.

These restrictions were not as prominently displayed in the advertisement as was the headline 'Kids Eat Free.' CSD determined this to be a violation of the Miami-Dade County Uniform Fair Trade Standards Law, which, among other things, prohibits false and misleading advertising.

In March 2000, Miami-Dade Consumer Advocate, Leonard Elias, wrote to Denny's President, John Romandetti, and later to Vice-President Timothy E. Flemming, advising them that the company was in violation of the law. "There are different signs in issue, none of which clearly and conspicuously contain all the terms and conditions associated with the 'Kids Eat Free' offer," Elias wrote.

CSD offered Denny's the opportunity to resolve the issue by paying a civil penalty and signing an Assurance of Voluntary Compliance (AVC) in which the restaurant would agree to correct the problem and to ensure that it was not repeated.

Denny's has now signed the AVC, changed the design of the advertisements and paid the civil penalty.

Miami-Dade County's Uniform Fair Trade Standards Law prohibits the use of exaggerated variations in the size or placement of letters or symbols with the intention to deceive the consumer as to the true nature of any item being offered for sale.

At the same time Florida law states that advertising which offers an item as free, must clearly and conspicuously state any conditions or obligations which the consumer would have to meet in order to obtain this free item.

The use of the word 'Free' in advertising, without disclosing restrictions, is of particular concern to consumer agencies across the country, including the Federal Trade Commission, which has launched several investigations into its use as a marketing ploy.

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*The Miami Dade Consumer Services Department is an agency of Miami-Dade County government that protects consumers through complaint mediation, business regulation, and consumer education. The Department operates the Consumer Hotline (305) 375-3677, a central telephone number for consumer complaints and information.*